



POVERTY IN NIGERIA AS A PRIMA FACIE OF RULE NONCOMPLIANCE

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ABSTRACT

Poverty remains a flashpoint in development affairs of today's world. The paper examines material poverty adopting a deductive approach and focusing on the Nigerian context. Combining scriptural reasoning, formal logic and real world experiences, the author suggests that material poverty is at first glance akin to rule noncompliance. The paper is thus sermonic as its objective is to sensitize the Nigerian public and ultimately humanity to the consequences of noncompliance to divine rules.

Keywords: Poverty, Rule, Noncompliance, Prima Facie.

“Whatever good you may receive is certainly from God and whatever you suffer is from yourselves. We have sent you, (Muhammad), as a Messenger to people. God is a sufficient witness to your truthfulness.” (Quran 4:79).

“And We have already sent [messengers] to nations before you, [O Muhammad]; then We seized them with poverty and hardship that perhaps they might humble themselves [to Us].”(Quran 6:42)

INTRODUCTION

Poverty is a basic fact of life for more than one billion people the world over. This is evident in the various studies of poverty organizations, where it is estimated that over 14% of the world's population will live in extreme poverty come 2015 (World Bank 2012). Islam implies believe in and submission to a Supreme Being, the Creator, who has dominion and competency over all things and has created life and death to test as to which of us is best in deeds (Quran 67: 1-2). Of course it is expected that this test necessitate some rules. These rules are heavily documented in the holy books of the Muslims, the Quran and the Hadith. One theme flowing from the above is that, as long as there is life and deeds, humans beings

will be subjected to divine rules with favourable and unfavourable consequences for compliance and noncompliance to such rules. The author suggests poverty as a prima facie of rule non-compliance. Thus, If we agree with the “factology” of poverty vis- a-vis the “theology” of a Creator, it only seems logical to comply with His rules which elicits the best of deeds(practices) on the macro and micro levels in all aspects of human endeavour. If all humans behave in a humane manner i.e. follow the rules, poverty might be eradicated, otherwise, it remains a conundrum with no definite panacea. This study is pertinent as most studies seem to be premised under a strong assumption that poverty is a given and as such an inevitable condition requiring curatives and not prophylaxis of rule compliance. This thinking tends to direct efforts towards attacking the symptoms as opposed to causes. The study therefore expounds poverty as a consequence of non- adherence to Allah’s laws within the Nigerian state. The study will describe the meaning of poverty, portray the Quran as a compendium of rules, and go on to explain pragmatically with the use of life experiences some (anecdotal) poverty generating actions perpetuated by economic entities which are tantamount to rule violations. The study concludes by spelling out lessons to be learnt by other countries from the Nigerian experience.

POVERTY EXPLAINED

Poverty is abysmal and enlists as one of the major issues in today’s development discourse. Unfortunately, it is not a developmental abstraction, it is a human phenomenon. It is the emigration and exodus of a people from their fatherland blessed with relatively good weather to another country with relatively harsh weather, which they are not accustomed to, purely for sustenance. It is the involuntary separation from one’s kindred for fear of a gloomy future. “It is despair, grief and pain. It is the despair of a father in a family of seven in a poor country when he joins the swelling ranks of unemployed with no prospects of unemployment compensation. Poverty is the longing of a young boy playing outside a village school but unable to enter because his parents lack resources needed to buy textbooks. It is the grief of parents watching a three-year old child die of a routine childhood disease because.....they cannot afford any medical care” (Brown, 1972 p.42).

A panoramic analysis of the literature suggests that poverty has been largely defined in four ways; **Poverty connotes having less than is normally acceptable** i.e. in absolute terms, **Poverty also means to have less than the others in a social organization** i.e. in relative

terms, **It has also been depicted as a feeling of not having enough to measure up in the society** which could be absolute, relative or absolute-relative. **Chronic poverty** is the name given to the fourth category which denotes “people who remain poor for much of their life course who may ‘pass on’ their poverty to their children and who may die of easily preventable deaths because of the poverty they experience” (CPRC, 2004, p.3). Notable pioneering studies which have utilized such definitions include Watts (1967), Rowntree (1901), Love and Oja (1977), Orshansky (1965), Rainwater (1969), Abel-Smith and Townsend (1965), Miller and Roby (1974), Townsend (1979), Goedhart et al (1977), Hulme and Shepherd (2003).

Poverty ideally passes as a social and relative experience in Islam. The words “faqr”, “faqir” and “faqirat” are derived from the Arabic trilateral root “fa qaf ra” which appears 14 times in the Quran. Of particular importance are the derived forms; faqir and faqr which relate to poverty and occur twelve times and once respectively in the Quran. Mis’kin which occurs 23 times in the Quran is derived from the Arabic trilateral root “sin kaf nun” occurring 69 times in the Quran. These words best describe the concept of poverty as mentioned by the Creator in the glorious Quran. There is however no consensus on the translation and definition of these two concepts. According to some jurists, faqir is a person who practically has no property or any substantial earning to meet his basic requirements for himself and his dependants in a way which is neither non-frugal nor profligate while Mis’kin is a term used to refer to a similar condition with a lesser severity. Sahl (2005) translates the terms fakir and mis’kin to mean the destitute and the poor respectively and concludes that the poor encompasses those who cannot achieve sufficiency in annual terms whilst using their own resources while destitute refers to those unable to achieve sufficiency for a day. Similarly Abdul (1993) contends that fakir is one who can barely satisfy half of his basic needs while mis’kin is one who can satisfy not less than half of his basic needs but below the required acceptable minimum. On the issue of definitional differences, Mattson (2003) advances that because “al-fuqara’ and al-masakin are both listed in [the] same verse, most early Muslim scholars believed that these must represent two different kinds of poor people. Resorting to various *hadith* ... and customary expressions of the Arabs led to numerous definitions—many of them completely contradictory”. Nevertheless, it is easily deducible that anyone in these categories require one form of assistance or the other. Equally relevant is the concept of Nisab of Zakah which connotes the amount of wealth which one possesses which in turn

make one eligible to pay Zakah (an obligatory transfer payment which is a pillar of Islam). In other words, a person whose level of wealth does not reach the Nisab is not eligible to pay Zakah and is therefore considered as being poor and consequently eligible to receive Zakah. The Nisab is based on a person's disposable income which has been held for a year after meeting his basic needs. Building on these concepts, Sadeq (1997) identifies two types of poverty, Hard core poverty meaning high poverty incidence associated with fakir and mis'kin, and General poverty meaning low poverty incidence associated with the Nisab level.

It is therefore clear from the foregoing that poverty is a social malady and is manifested quantitatively and qualitatively as well as absolutely, relatively and transitorily. It is however contentious whether poverty is a natural consequence of human existence or rather a natural consequence of the negative activities of human existence i.e. deliberate non-compliance with the Creator's rules of harmonious existence. I argue that both assertions are valid. Poverty as a natural consequence of human existence refers to relative poverty which somewhat borders on inequality while poverty as a natural consequence of the negative activities of human existence refers to absolute poverty. The latter has no basis in the society if everyone is rule compliant while the former has a basis in the society as the chapter six verse 165 of the Quran reveals; "And it is He who has made you successors upon the earth and has raised some of you above other in degree (of rank) that He may try you through what He has given you....". Even at that, the prevalence of relative poverty is still akin to rule non-compliance. This is because divine antidotal prescriptions by Allah in the form of compulsory and voluntary transfers such as Zakah, Sadaqah, and Zakatul-fitri are largely ignored by professing Muslims. Furthermore, basic laws of living which are enjoined by the Creator in most monotheist religions whose professing adherents form a large chunk of the world's population e.g. justice, fairness, honesty, kindness, uprightness, high moral stature are also to a great extent not followed. This is true of Muslims and non-Muslims alike. As a result, colossally, both poverties however subsist today.

POVERTY IN NIGERIA

The Nigerian state is the most populous black nation in the world. Based on the 2006 census in Nigeria, the total population stood at 140,431,790 (NPC, 2006). Considering the country's annual population growth rate of 3.2%, the population now stands at a little above

170million. This invariably means the country alone accounts for about 2.4% of the world's total population. A little above 50% of the population profess Islam, about 3% are traditional worshippers and the rest of the population are Christians (Pew 2009 DHS 2003). Ethnically and culturally diverse, the country has over 250 ethnic groups, over 500 identified indigenous spoken languages and English language as the lingua franca (Grimes, 1996, Blench, 2012). The country has a total land area of 923,768km² composed of 37 states including the federal capital territory and is bounded to the; east by Chad, west by Benin, south by Cameroon and north by Niger. The country runs a presidential system with three arms of government; executive, judiciary and a bi-camera legislature. The country is somewhat a federalism. Nigeria is blessed by the Creator with vast amount of natural resources ranging from good weather, climate, arable land, minerals and humans, majority of which remain under explored, petroleum resource however serves as the mainstay of the economy. Before the commercial discovery of oil, agriculture served as the main foreign exchange earner but this position has changed since the 1970's. The contribution of crude oil to the value of total domestic export trade was to the tune of 69.2% in 2012 (NBS 2012). The monolithic oil sector also accounts for about 20% of gross domestic product, 95% of foreign exchange earnings, and about 65 per cent of budgetary benchmark. (CBN 2012, OPEC 2012). The country and the rest of sub-saharan Africa had an impressive growth (1.6% per capita income growth) rate throughout the 60's and the 70's comparable to that of today's rich countries during the industrial revolution of the early 19th and 20th century but in the 80's the reverse was the case, perhaps a particular suspect was the IMF stabilization and structural policies imposed on these countries. Nevertheless, the Nigerian economy has maintained an appreciable real GDP growth rate since 2008. The country grew in real terms by 5.98%, 6.96%, 7.98%, 7.43%, 6.61% in 2008, 2009, 2010, 2011, 2012 respectively and is projected to grow by 6.75%, 7.27%, 6.93% , 6.62% in 2013, 2014 ,2015 and 2016 respectively (NBS 2013).

However, all forms of poverty co-exist in Nigeria. It is tragic and has been on the increase over the years, relatively, between 2004 to 2010 poverty increased by 14.6% putting a total of 112,518,507 Nigerians in the poverty bracket. In this context, the poverty incidence in the North east and North west was 77.7% and 76.3% in 2004 and 2010 respectively. In the South-west poverty rate was 59.1%. Sokoto state had the highest poverty rate of 86.4% while Niger State had the lowest at 43.6% in 2010. Absolutely, poverty increased by 6.2% between

2004 to 2010 with about 99,284,512 Nigerians in poverty in 2010. In this parlance, Sokoto had the highest rate of 81.2% while Niger had the least which was 33.8%. The south west recorded a poverty rate of 49.8% while the North-West and North-East recorded 70% and 69% respectively. It is also documented that as at 2004 about 51.6% of Nigerians lived below one dollar a day and that this percentage increased to 61.2% in 2010. In South-west Nigeria, 50.1 % of the people lived below the one dollar mark while 70.4% of the people in the Northwest geo-political zone lived below the one dollar mark. In addition, 81.9% of the people in Sokoto lived below one dollar per day while 33.9% of the inhabitants of Niger live below the one dollar mark. It was also estimated that in 2011 poverty will have increased to 71.5%, 61.9% and 62.8% corresponding to 2.5%, 1% and 1.6% respectively (NBS. 2010).

Relative Poverty: Non-poor, Moderately Poor, Extremely Poor (%) 1980-2010.

Year	Non-Poor	Moderately Poor	Extremely poor
1980	72.8	21.0	6.2
1985	53.7	34.2	12.1
1992	57.3	28.9	13.9
1996	34.4	36.3	29.3
2004	43.3	32.4	22.0
2010	31.0	30.3	38.7

Source: NBS 2010.

Relative Poverty Headcount from 1980-2010

Year	Poverty Incidence (%)	Estimated Population	Population in Poverty (Million)
1980	27.2	65	17.1
1985	46.3	75	34.7
1992	42.7	91.5	30.2
1996	65.6	102.3	67.1
2004	54.4	126.3	68.7

2010	69.0	163	112.47
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Source: (NBS) 2010.

The statistics allude to the severity of poverty within the Nigerian state. It is clear that poverty is dangerously high in Nigeria and by extension that most Nigerians are rule non-compliant. Also worthy of mention is another dimension to the poverty situation in Nigeria; where most people feel they themselves are poor. For example, in 2010, 93.9% of Nigerians believed they were poor, an 18.4% increase in their self-perception in 2004. The people in Abuja considered themselves to be the poorest with 97.9% while the people of Kaduna considered themselves to be the least poor with a percentage point of 90.5(NBS, 2010) . It is however pathetic and disturbing to note that the people of Nigeria are not aware that they are the architect of their misfortune. Perhaps if they followed Allah’s rules, this would not have been the situation.

THE QURAN; A COMPENDIUM OF RULES

Laws are commands issued by the uncommanded commander i.e. the sovereign, such commands are enforceable through sanctions and a sovereign is one who is obeyed by the majority (Austin 1869). These are the tenets of legal positivism. The theory of legal positivism was championed by Jeremy Bentham (1748-1832), John Austin (1790-1859) and Herbert Hart (1907-1992). Not without variations, the theory tries to explain that the legal validity and acceptability of a norm in any system rests not on its merits but on its **sources** (Garner 2001). However, the theory refers to earthly laws and not divine laws of Allah. Perhaps if these statements are put in the proper perspective it might help us understand the importance of laws, its source, compliance as well as enforcement.

The ultimate instructions to be followed and obeyed for any human being are the rules given by the true sovereign; the Law giver; Allah through Prophet Muhammed (pbuh) documented in the Quran. As the Quran clearly states; ".....Legislation is not but for Allah....." (Quran 12:40). ".....and He shares not His legislation with anyone" (Quran 18:26). Since obeying the Prophet invariably means obeying Allah, the Hadith of the prophet is not unimportant as it helps to also explain the Quran. Allah mentions in not less 21 verses in the Quran “....and whoever obeys Allah and His Messenger has certainly attained a great attainment” (Quran 33:71). “Obey Allah, and obey the Messenger, and beware and if you turn away – then know

that upon Our Messenger only [the responsibility for] clear notification” (Quran 5: 92). It is also worthy of note that the messenger of Allah does not speak of his whims but rather of Allah’s will i.e. he does not promote his own personal rules or laws but only the divine revelations received from Allah. His judgements are based wholly on Allah’s injunctions in the Quran, no more no less, and does not at any time deviate from it as the following verses reveal; "Say, I am nothing new among the Messengers. I have no idea what will be done with me or you. I only follow what has been revealed to me. I am only a clear warner.' (Qur'an 46:9). "And We have revealed to you the Book with the truth, verifying what is before it of the Book and a guardian over it, therefore judge between them by what Allah has revealed, and do not follow their low desires (to turn away) from the truth that has come to you;" (Quran 5:48). ".....it is a revelation from the Lord of all the worlds. And if he [i.e. Mohammad] had made up about Us some [false] sayings, We would have seized him by the right hand, Then We would have cut from him the aorta, And there is no one of you could prevent us from him." (Qur'an 69:43-47). “Not upon the Messenger’s duty is [responsibility] except [for] notification: And Allah knows whatever you reveal and whatever you conceal.” (Qur’an 5:99). It is not for a human [prophet] that Allah should give him the Scripture and authority and prophet hood and then he would say to the people, "Be servants to me rather than Allah," but [instead, he would say], "Be pious scholars of the Lord because of what you have taught of the Scripture and because of what you have studied."

There is indeed a nexus between rules and sins, as such, a discussion of rules in the Quran cannot be complete without the concept of sin. Sin is a transgression of Allah’s law or rules. Disobedience to the rules of Allah is tantamount to been sinful which attracts punishment in this world e.g. poverty and in the hereafter. Allah says; “Such is the punishment [of this world]. And the punishment of the Hereafter is greater, if they only knew” (Quran 68:33). It might be instructive to highlight that there are major sins and minor sins in Islam, however the line between this classification is frail as the following exposition reveals. Al-Dhahabi (673-748 AH p.1) defines major sins “as those acts which have been forbidden by Allah in the Quran and by His Messenger (SAW) in the Sunnah (practise of the Prophet), and which have been made clear by the actions of the first righteous generation of Muslims, the Companions of the Prophet (SAW)”. Al-Dhahabi point outs 70 major sins based on the Quran and Sunnah, a thorough look at these sins might indicate there is almost nothing left to be called minor. The sins are itemized below;

1.) Associating anything with Allah 2.) Murder 3.) Practising magic 4.) Not Praying 5.) Not paying Zakat 6.) Not fasting on a Day of Ramadan without excuse 7.) Not performing Hajj, while being able to do so 8.) Disrespect to parents 9.) Abandoning relatives 10.) Fornication and Adultery 11.) Homosexuality (sodomy) 12.) Interest (Riba) 13.) Wrongfully consuming the property of an orphan 14.) Lying about Allah and His Messenger 15.) Running away from the battlefield 16.) A leader's deceiving his people and being unjust to them 17.) Pride and arrogance 18.) Bearing false witness 19.) Drinking Khamr/Alcohol (wine) 20.) Gambling 21.) Slandering chaste women 22.) Stealing from the spoils of war 23.) Stealing 24.) Highway Robbery 25.) Taking false oath 26.) Oppression 27.) Illegal gain 28.) Consuming wealth acquired unlawfully 29.) Committing suicide 30.) telling lies/Frequent lying 31.) Judging unjustly 32.) Giving and Accepting bribes 33.) Woman's imitating man and man's imitating woman 34.) Being cuckold 35.) Marrying a divorced woman in order to make her lawful for the husband 36.) Not protecting oneself from urine 37.) Showing-off 38.) Learning knowledge of the religion for the sake of this world and concealing that knowledge 39.) Betrayal of trust 40.) Recounting favours 41.) Denying Allah's Decree 42.) Listening (to) people's private conversations 43.) Carrying tales 44.) Cursing 45.) Breaking contracts/promises or pledge 46.) Believing in fortune-tellers and astrologers 47.) A woman's bad conduct towards her husband 48.) Making statues and pictures 49.) Lamenting, wailing, tearing the clothing, and doing other things of this sort when an affliction befalls 50.) Treating others unjustly 51.) Overbearing conduct toward the wife, the servant, the weak, and animals 52.) Offending one's neighbour 53.) Offending and abusing Muslims 54.) Offending people and having an arrogant attitude toward them 55.) Trailing one's garment in pride 56.) Men's wearing silk and gold 57.) A slave's running away from his master 58.) Slaughtering an animal which has been dedicated to anyone other than Allah 59.) To knowingly ascribe one's paternity to a father other than one's own 60.) Arguing and disputing violently 61.) Withholding excess water 62.) Giving short weight or measure 63.) Feeling secure from Allah's Plan 64.) Despairing the Mercy of Allah and loosing hope 65.) Not praying in congregation but praying alone without an excuse 66.) Persistently missing Friday Prayers without any excuse 67.) Usurping the rights of the heir through bequests 68.) Deceiving and plotting evil 69.) Spying for the enemy of the Muslims 70.) Cursing or insulting any of the Companions of Allah's Messenger

All the above sins are however forgivable by Allah except that of associating partners with Allah. (Quran 4:48,116 and Quran 39:53)

PRACTICAL EXPERIENCES OF RULE NON-COMPLIANCE IN NIGERIA

“It is not for a believing man or a believing woman, when Allah and His Messenger have decided a matter, that they should [thereafter] have any choice about their affair. And whoever disobeys Allah and His Messenger has certainly strayed into clear error” (Quran 33:35).

There are Quranic accounts that clearly illustrates the consequences of rule non-compliance, these consequences if clearly looked at could be easily linked to poverty. Nevertheless, drawing on his experience of over two decades of been domicile in Nigeria, the author makes use of real contemporary world scenarios to demonstrate the negative consequences of rule non-compliance exhibited by Nigerians. Since all economic activities as well as social relations revolve around three economic entities; the household, firms and government, the author tells a story on how each of them deviated from the laws of Allah and the resulting effect has been prima facie poverty.

INDIVIDUALS/HOUSEHOLD

Mrs. Abimbola was undergoing her mandatory National Youth Service Corp (NYSC) at the municipal government marriage registry. She recently got married then and had a son. The husband worked at IGI (An indigenous insurance company). Their financial hassles began immediately after the nuptials. Bowing to cultural marriage requirements requiring huge financial commitments, the couples had obtained loans from different sources including the husband’s unpaid meagre salary at work to sponsor their flamboyant wedding ceremony. After the one-day wedding, financial difficulty ensued. They could barely feed let alone provide adequately for the family needs especially the requirements of the little child. This financial condition led to emotional worries for Mrs Abimbola which affected her personal relations and primary assignment at work. She would be moody all day at the office, not laugh at jokes, and sometimes even cry especially if the baby’s food had just finished. The boss got wind of her disposition and enquired what the matter was, she was however reluctant to share her worries because she didn’t want people to know the financial state of her family. After much persistence, she narrated how she was pregnant before the marriage and how they

“ran into” the financial ordeal. The boss counselled her and also provided some support for her so that she could assist the husband in meeting the family’s needs.

A true life story of Mrs. Abimbola (fictitious name).

The narrative chiefly highlights cultural practice(s) negating Allah’s commandments. The story of Mrs Abimbola is only one of the numerous scenarios in Nigeria where young men and women have illicit relationships before marriages, and also become pauperized immediately after their marriage. One strange thing a Muslim should notice is that she did not deem it fit to conceal her being pregnant before marriage but sought to conceal her state of financial incapacity. These bizarre happening can be traced to inherited historical culture which somewhat encourages or keeps mute on premarital sex whilst promoting expensive marriage commitments. These are clear deviations from Allah’s rule; It is mentioned in not less than 12 verses in the glorious Quran; “And when it is said to them, "Follow what Allah has revealed," they say, "Rather, we will follow that which we found our fathers doing." Even though their fathers understood nothing, nor were they guided?” (Quran 2:171). Similar messages are repeated in Surah 31:21; “And when it is said to them, "Follow what Allah has revealed," they say, "Rather, we will follow that upon which we found our fathers." Even if Satan was inviting them to the punishment of the Blaze?”. Surah 26:74; “They said, "But we found our fathers doing thus". Surah 5:104; “And when it is said to them, "Come to what Allah has revealed and to the Messenger," they say, "Sufficient for us is that upon which we found our fathers." Even though their fathers knew nothing, nor were they guided? It could be easily seen that the culture has led them to penury. Furthermore Allah says in the Quran in Surah Al-Isra vs. 32; “And do not approach unlawful sexual intercourse. Indeed, it is ever an immorality and is evil as a way”. Say, "My Lord has only forbidden immoralities - what is apparent of them and what is concealed - and sin, and oppression without right, and that you associate with Allah that for which He has not sent down authority, and that you say about Allah that which you do not know."(Quran 7:33). Though not entirely clear from the story is the link between the pre-marital sex and poverty, however this nexus could be easily seen from the following hadith and might even explain why the couple is facing hardship. Anas radhiyallahu anhu narrates that Rasoolullah Sallallahu alayhi wasallam said: “Avoid adultery/fornication, for it has six effects; of these three are experienced in this world and the other three in the hereafter. The three experienced in this world are; a.) Noor (luster) vanishes

from the faces of adulterers/fornicators b.) It brings **poverty** and famine. c.) The lifespan is reduced. The three experienced in the hereafter are: a.) Allah subjects the adulterers to his Anger. b.) They will be subjected to strict reckoning on the Day of Judgement. c.) They will be cast into Hell” (Al-suyuti). The link between fornication and poverty might not be unconnected with the fact that fornication involves loss of productive man hours as well as thinking time, health related problems which might require financial implications and so on. An unfortunate thing to note is that despite this self-inflicting predicaments, my people still do not desist from these act and do not see their misdemeanour but rather prefer to blame their situation on unrelated events.

FIRMS

“There are many causalities of increasing failures of going concern in Nigeria. The factors mostly canvassed are infrastructural shortcoming, institutional and structural challenges. The recent survey we conducted revealed that while the harsh operating conditions in the country may be a factor to untimely death of many businesses, one major bane of indigenous businesses and indeed some foreign ones is the absence of “Best Practice Corporate Governance.”

Corporate governance Lapses

Beyond the initial excitement and vision of setting up business entities, corporate governance, which is the principles and values that guide a company in the conduct of its day-to-day business and how stakeholders interrelate among one another, remains key to the survival of any business.

Evidence from our recent survey confirms that corporate governance lapses were significantly responsible for the collapse of over 70% of defunct companies in Nigeria over the last two decades. We found that market share, volume of turnover and asset size is less potent relative to sound corporate governance for the survival of a business.

This perhaps informs the renewed interest in corporate governance practices globally and the clamour is on a record high, given the spate and high profile corporate failures that preceded the global economic and financial crisis between 2008 and 2011.

League of Defunct companies

Revelations from the Nigerian banking sector, insurance and the media in extension confirmed that corporate governance lapses is capable of pooling down a high profit business irrespective of the age of that entity.

For Instance, Intercontinental Banks, Oceanic Bank, BankPHB, Afribank, Spring Bank, Lion of Africa Insurance, Societe Generale Bank Nigeria, Mtel, Kaduna Textile Mills, Nigeria Airways, Concord Group, HITV, NEXT, and many others recently crumbled on the back of corporate governance questions. Executive management and the board of these institutions were alleged to be reckless with investors funds, neglected due processes and took biased decisions; conducts that negate the principles of corporate governance.

In the case of Oceanic Bank, the former group managing director, Cecilia Ibru, was alleged to have given out depositors' funds worth over N150 billion as loans to friends and relatives without collateral; including her nanny who got N13 billion loan to cater for personal needs.

Investors and clients are becoming more sensitive to the corporate governance framework of companies. There is also a consensus among experts that strong corporate governance and transparency are necessary for going concern, as this is a major indicator of a well-managed and resilient business.....”

An excerpt from the Financial Intelligence Magazine Nigeria, First February 2013.

The excerpt gives us an insight into the rising business failures in Nigeria. This is definitely important as there is almost a direct transmission mechanism between poverty head count and business failures. Without any rigorous analysis one can easily deduce that when a business fails especially large ones like those represented in the article, employees are laid off, unemployment rises, income drops, consumption is affected, production is affected, in short a series of mutually reinforcing effects abound which ultimately spells poverty. The author of the article was able to point out that corporate governance was the problem. Another, culprit which the author did not really see was Riba. A close look at the above case reveals that most of the companies that folded up were banks and insurance companies which dealt in Riba; interest and companies who had borrowed interest bearing loans. Both bad corporate governance and Riba are clear deviations from Allah's rules. Allah says in the glorious Quran “Those who consume interest cannot stand [on the Day of Resurrection] except as one stands

who is being beaten by Satan into insanity. That is because they say, "Trade is [just] like interest." But Allah has permitted trade and has forbidden interest. So whoever has received an admonition from his Lord and desists may have what is past, and his affair rests with Allah. But whoever returns to [dealing in interest or usury] - those are the companions of the Fire; they will abide eternally therein. Allah destroys interest and gives increase for charities. And Allah does not like every sinning disbeliever" (Quran 2:275-276). Furthermore, Allah says in Surah 8 verse 19; "O ye that believe! betray not the trust of Allah and the Messenger, nor misappropriate knowingly things entrusted to you". "Indeed, Allah orders justice and good conduct and giving to relatives and forbids immorality and bad conduct and oppression. He admonishes you that perhaps you will be reminded" (Quran 16:90). Perhaps poverty could have been averted if the firms had been rule compliant.

GOVERNMENT

"THE mind-boggling cash gifts splashed out on the national football team players and officials that won the 2013 Africa Cup of Nations in South Africa early in February by the Federal Government is a wrong way of incentivising those who have done the nation proud. It is excessive and perverted as there are standards of rewards for successful athletes in more sober climes where public funds are handled with the utmost sense of responsibility and accountability.

Rewarding success in sports or in any area of human endeavour – as the Goodluck Jonathan Administration did with the Super Eagles by giving each of the 23 players a cash gift of N5m, the head coach N10m, assistant coaches N5m each and other officials N2m each (totalling N150m of taxpayers' money) – is to send a dangerous signal to youths that it is only sports that can guarantee them unmerited instant financial reward. This is unhealthy for youths – and the future of the nation. Our youths should rather be encouraged to take pride in wearing the national colours.

The excessively generous cash gifts to the team failed every standard of good governance. It is only a lax state that throws money around. In a world of lightning-fast change, governments are faced with serious challenges, including space exploration, education, epidemics and even terrorism. That explains why some countries, including the United States,

have in place innovation and competition strategies to encourage people to aspire to be the best. How many times has our system rewarded academic excellence of those who graduate with First Class degrees with scholarships? Of course, no state has the capacity to fund this kind of reckless financial expenditure, certainly not Nigeria, where it is difficult for many state governments to pay a minimum wage of N18, 000 a month to workers in the public sector.

It does not meet the practice in sports across the globe where a standard bonus system is put in place before major tournaments. For example, countries like Russia budgeted and gave \$135,000 and the United States \$35,000 to gold medallists at the London 2012 Olympic Games. It was – and is still – the standard practice. Athletes from those nations knew beforehand what to expect. This was not a case of “as-the-spirit-directs” financial misapplication that the Nigerian government is sadly thriving on, over-celebrating a euphoric victory that will do little to impact positively on the run down domestic football league, where players are supposed to be identified, nurtured and moulded for the international arena.

For AFCON 2013, the Nigeria Football Federation had already agreed with the team a just reward package. Each player was entitled to \$5,000 for every drawn match in the group stage, and \$10,000 for every win, while the coaches were guaranteed double that. At a stage, the NFF had to increase the bonus for the group match against Ethiopia to \$15,000, while that of the quarterfinal against Ivory Coast was upped to \$20,000. This is apart from the extra bonuses guaranteed for qualifying from the group stage to the knockout phase. With the reward of more than \$2m from wealthy individuals like Mike Adenuga, Aliko Dangote and Tony Elumelu, the Presidential reception and the national honours awarded to the team (as it was done in 1980 when the Green Eagles won the AFCON trophy as hosts), the Federal Government has no cogent reason to be doling out scarce public funds to the Eagles and their officials again.

The Federal Government, the Lagos State that also outrageously gave the team N54m and Delta State that similarly rewarded them with monetary gifts, have to understand that doling out money to professional athletes does not provoke patriotism in them. The Federal Government has to admit that the N155m (plus the N5m that was given to the Supporters Club) is an illegal act since it was not budgeted for in the 2012 Appropriation Act or in the

2013 Budget. The likelihood is that neither Lagos nor Delta included the largesse to the team in its budget.

How can a serious government engage in illegal expenditure and, at the same time, complain of padded budgets by lawmakers? It is only a different side of a coin. This shows that the federal administration is not disciplined in running the affairs of the country, ruling by rule of the thumb, and not by rule of law. This is sad. It only further depletes the treasury of a nation that is already in crisis. The National Assembly is also to be blamed for this illegality. If our lawmakers were alive to their responsibilities, they should have made the government to account for all its extra-budgetary spending, which is an impeachable offence.....”

An excerpt from the Punch newspaper, Nigeria February 20 2013.

The narrator was apparently analysing from a secular point of view, however, the narration demonstrates extravagance, lack of responsibility and accountability, breach of trust, insensitivity to the plights of the people, lack of modesty and moderation on the part of the Nigerian state. All these are clear deviations from the Quran and Sunnah of the prophet. A major rule the author however tries to pin point is the uncouth spending which is the theme of the narration and can be easily seen. The story also reveals that this sort of action is not new in the history of the country. A flagrant disobedience of Allah’s rules as He clearly states in the Quran: “.....and do not spend wastefully. Indeed, the wasteful are brothers of the devils, and ever has Satan been to his Lord ungrateful” (Quran 17:26-27). This excessive squandermania which showcases ingratitude to Allah is a contributory factor to the poverty problem in the country. Perhaps the money could have been used in otherwise beneficial endeavours.

LESSON FOR OTHER NATIONS

The paper looks into rule non-compliance within the Nigerian state but that is not to say that non-compliance to rules is a monopoly of Nigeria. At first glance, we can extend most of the issues in this write-up to all countries of the world though in varying context. Looking at the bigger picture, poverty is a much lesser infliction when compared to the infliction of the hereafter. Hence, It is imperative and will be in the interest of all and sundry to save ourselves from the latter.

“O you who have believed, protect yourselves and your families from a Fire whose fuel is people and stones, over which are [appointed] angels, harsh and severe; they do not disobey Allah in what He commands them but do what they are commanded”. (Quran 66:6)

It is interesting to note that while saving ourselves from the latter (infliction of the hereafter), we are simultaneously saving ourselves from the former (infliction of this world).

CONCLUSION

The verses of the Quran at the beginning of the paper best summarize the theme of this paper while the verse of the Quran of Surah 33 Ayah 35 suffices as conclusion;

“Verily, the Muslims (those who submit to Allah in Islam) men and women, the believers men and women (who believe in Islamic Monotheism), the men and the women who are obedient (to Allah), the men and women who are truthful (in their speech and deeds), the men and the women who are patient (in performing all the duties which Allah has ordered and in abstaining from all that Allah has forbidden), the men and the women who are humble (before their Lord Allah), the men and the women who give Sadaqat (i.e. Zakat, and alms, etc.), the men and the women who observe Saum (fast) (the obligatory fasting during the month of Ramadan, and the optional Nawafil fasting), the men and the women who guard their chastity (from illegal sexual acts) and the men and the women who remember Allah much with their hearts and tongues (while sitting, standing, lying, etc. for more than 300 times extra over the remembrance of Allah during the five compulsory congregational prayers) or praying extra additional Nawafil prayers of night in the last part of night, etc.) Allah has prepared for them forgiveness and a great reward”.

RELEVANT VERSES FOR CONTEMPLATION

He said, "As for one who wrongs, we will punish him. Then he will be returned to his Lord, and He will punish him with a terrible punishment. But as for one who believes and does righteousness, he will have a reward of Paradise, and We will speak to him from our command with ease "Quran (18:87-88).

“And whoever contradicts and opposes the Messenger (Muhammad SAW) after the right path has been shown clearly to him, and follows other than the believers' way. We shall keep him in the path he has chosen, and burn him in Hell - what an evil destination” (Quran 4:115).

“Let not the free disposal (and affluence) of the disbelievers throughout the land deceive you. [It is but] A brief enjoyment; then, their ultimate abode is Hell; and worst indeed is that place for rest” (Quran 3:196-197).

“And this worldly life is not but diversion and amusement. And indeed, the home of the Hereafter - that is the [eternal] life, if only they knew. And when they board a ship, they supplicate Allah, sincere to Him in religion. But when He delivers them to the land, at once they associate others with Him “ (Quran 29:64-65).

“Indeed, your efforts are diverse. As for he who gives and fears Allah And believes in the best [reward], We will ease him toward ease. But as for he who withholds and considers himself free of need and denies the best [reward], We will ease him toward difficulty. And what will his wealth avail him when he falls?” (Quran 92:5-7).

“Those are the ones who have bought the life of this world [in exchange] for the Hereafter, so the punishment will not be lightened for them, nor will they be aided” (Quran 2:86).

“So whoever does an atom's weight of good will see it, And whoever does an atom's weight of evil will see it” (Quran 99:7-8).

“And We charge no soul except [with that within] its capacity, and with Us is a record which speaks with truth; and they will not be wronged” (Quran 23:62).

“And the ones who disbelieve in the signs of Allah and the meeting with Him - those have despaired of My mercy, and they will have a painful punishment” (Quran 29:23).

“Say (O Muhammad SAW): "Not equal are AlKhabith (all that is evil and bad as regards things, deeds, beliefs, persons, foods, etc.) and AtTaiyib (all that is good as regards things, deeds, beliefs, persons, foods, etc.), even though the abundance of Al-Khabith (evil) may please you." So fear Allah much [(abstain from all kinds of sins and evil deeds which He has forbidden) and love Allah much (perform all kinds of good deeds which He has ordained)], O men of understanding in order that you may be successful” (Quran 5:100).

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